

**SUBCHAPTER K : FINANCIAL ASSURANCE REQUIREMENTS  
FOR CLASS A OR B PETROLEUM-SUBSTANCE CONTAMINATED SOIL  
STORAGE, TREATMENT, AND REUSE FACILITIES**

**§37.1001. Applicability.**

This subchapter applies to Class A or B petroleum-substance contaminated soil storage, treatment, or reuse facilities required to provide evidence of financial assurance under Chapter 334, Subchapter K of this title (relating to Storage, Treatment, and Reuse Procedures for Petroleum-Substance Contaminated Soil).

Adopted December 4, 1996

Effective December 30, 1996

**§37.1011. Financial Assurance Requirements for Closure of Class A and B Facilities.**

An owner or operator of a Class A or B petroleum-substance contaminated soil storage, treatment, or reuse facility subject to this subchapter shall establish financial assurance for the closure the facility that meets the requirements of this section, in addition to the requirements specified under Subchapters A, B, C, and D of this chapter (relating to General Financial Assurance Requirements; Financial Assurance Requirements for Closure; Financial Assurance Mechanisms for Closure; and Wording of the Mechanisms for Closure).

(1) The financial assurance shall be in the amount specified in the cost estimate for closure pursuant to §334.508 of this title (relating to Closure Requirements Applicable to Class A and Class B Facilities).

(2) An owner or operator subject to this subchapter may utilize a(n):

- (A) fully-funded trust;
- (B) surety bond guaranteeing payment;
- (C) surety bond guaranteeing performance;
- (D) irrevocable standby letter of credit;
- (E) insurance;
- (F) financial test; or

(G) corporate guarantee, as specified in Subchapter C of this chapter (relating to Financial Assurance Mechanisms for Closure) to demonstrate financial assurance for closure.

(3) Within 60 days after receiving certifications from the owner or operator and an independent qualified hydro geologist, geologist, or independent registered professional engineer that closure has been completed in accordance with the approved closure plan, the executive director shall notify the owner or operator in writing that he is no longer required by this section to maintain financial assurance for closure, as specified in Subchapter B of this chapter (relating to Financial Assurance Requirements for Closure) for that facility, unless the executive director has reason to believe that closure has not been in accordance with the approved closure plan.

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**§37.1021. Liability requirements for Class A and B Facilities.**

An owner or operator of a Class A or B petroleum-substance contaminated soil storage, treatment, or reuse facility subject to this subchapter shall establish financial assurance for sudden liability coverage for bodily injury and property damage to third parties caused by sudden accidental occurrences arising from operations of the facility that meets the requirements of this section, in addition to the requirements specified under Subchapters A, E, F, and G of this chapter (relating to General Financial Assurance Requirements; Financial Assurance Requirements for Liability Coverage; Financial Assurance Mechanisms for Liability; and Wording of the Mechanisms for Liability).

(1) An owner or operator must have and maintain liability coverage for sudden accidental occurrences in the amount of at least \$1 million per occurrence with an annual aggregate of at least \$2 million, exclusive of legal defense costs.

(2) An owner or operator subject to this subchapter may utilize a(n):

(A) fully-funded trust;

(B) surety bond guaranteeing payment;

(C) irrevocable standby letter of credit;

(D) insurance;

(E) financial test; or

(F) corporate guarantee, as specified in Subchapter F of this chapter (relating to Financial Assurance Mechanisms for Liability) to demonstrate financial assurance for sudden liability.

(3) Within 60 days after receiving certifications from the owner or operator and an independent qualified hydro geologist, geologist, or independent registered professional engineer, that closure has been accomplished in accordance with the approved closure plan, the executive director shall notify the owner or operator in writing that he is no longer required by this section to maintain financial assurance for sudden liability coverage, as specified in §37.401 of this title (relating to Liability Requirements for Sudden Accidental Occurrences), and by this section for that facility, unless the executive director has reason to believe that closure has not been in accordance with the approved closure plan.

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